



The Global Biodiversity agenda: a regional conversation Brazil and Mexico's oversized role

Contributors:

Amy Glover Drake
Ricardo Smith Nieves
Henrique Bezerra
Guadalupe González Chávez

Webinar COMEXI



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Consejo Mexicano de Asuntos Internacionales

Av. Insurgentes Sur 1647. Piso 1 Int.
A. San José Insurgentes, Benito
Juárez. 03900, Ciudad de México

Teléfono: (52 55) 8000-8121
www.consejomexicano.org

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Av. Insurgentes Sur 1647 Piso 1, int. A
Col. San José Insurgentes
03900 Benito Juárez, Ciudad de México, México
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Benito Juárez. 03900, Ciudad de México

The Global Biodiversity agenda

A regional conversation

Brazil and Mexico's oversized role

Consejo Mexicano de Asuntos Internacionales,
Núcleo Asuntos Globales, Regionales e Interregionales

Agile Thought Leadership

Interface Advocacy Ambiental

Contributors:

Amy Glover Drake

Ricardo Smith Nieves

Henrique Bezerra

Guadalupe González Chávez

Abstract

Biodiversity loss is one of the most pressing environmental crises facing the world. It has gained increased attention on the global agenda since the adoption of the U.N. Convention on Biological Diversity, although it has not been prioritized. Recent progress in negotiating the Global Biodiversity Framework offers a unique opportunity to catalyze concerted action among governments, companies, and civil society and unlock funding. Brazil and Mexico, two megadiverse Latin American countries, experience real-world obstacles in the fight against biodiversity loss: weak institutional capacity, a fractious political environment, and a lack of policy continuity. Addressing these issues will be key to reversing nature loss in Latin America, the region that shows the greatest decline in biodiversity according to the most recent data.

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Note:

This document is based on the analysis and points of view expressed in a roundtable discussion held virtually on May 16 2023, organized by the Consejo Mexicano de Asuntos Internacionales (COMEXI), Agil(e) Thought Leadership and Interface Advocacy Ambiental. The panelists provided a broad perspective about the global biodiversity agenda and the role of COP15 in Montreal as a watershed moment to catalyze joint action among governments, companies and civil society. The discussion acknowledged the relevance of Mexico and Brazil as megadiverse countries and the two largest economies in Latin America.

**MEGADIVERSITY IN THE AMAZON:
A REGIONAL CONVERSATION IN
THE GLOBAL CONTEXT**

Participants:

- Guadalupe González Chávez** - COMEXI
- Amy Glover** - Agil(e), COMEXI
- Miguel Ruíz Cabañas** - Tec de Monterrey, COMEXI
- Henrique Bezerra** - Interface Advocacy Ambiental
- Ricardo Smith Nieves** - PJ Comexi

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NÚCLEO: ASUNTOS GLOBALES, REGIONALES E INTERREGIONALES

Introduction

Biodiversity loss has deep links to climate change. Both environmental crises are being driven by the unsustainable use of our planet's resources to satisfy a growing demand for energy, food and other services. If global warming exceeds the 1.5°C threshold, climate change is likely to become the dominant cause of biodiversity loss and ecosystem degradation in the coming decades.

As ecosystems decline, they lose the ability to provide essential services to human beings and the planet. The loss of tree density of tropical forests reduces their capacity to absorb carbon, thereby increasing global warming. As mangrove ecosystems decline, they lose their ability to store carbon, protect communities and help them weather the impacts of hurricanes.

Biodiversity loss is one of the most pressing environmental crises facing the world. Recent reports published by international organizations shed light on this issue:

- One million different species are under threat of extinction, according to the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (I.P.B.E.S.).
- Seventy-five percent of all land environments have been degraded by human activity and about 66% of all marine environments (I.P.B.E.S.).
- There has been a 69% decrease in the relative abundance of wildlife populations (the number of individuals of a species living in a certain place) in the last five decades, according to the World Wildlife Fund's Living Planet Report. This report analyzes mammals, fish, reptiles, birds and amphibians.
 - Latin America shows the greatest decline, among other regions in the world, with a decrease in the average abundance of wildlife populations of 94%.
- Between 70% and 90% of coral reefs (vital for the survival of a wide array of marine wildlife) are expected to disappear, even in the most favorable global warming scenarios, as revealed by the Intergovernmental Panel on Climate Change.

Multilateral commitments: Long on promises short on results

Biodiversity has been rising as an issue of interest on the global agenda since 1992, when the U.N. Convention on Biological Diversity was adopted. That said, it has never been high on the list of priorities. Recent progress in negotiating new global goals and rules might help catalyze concerted action among governments, companies and civil society.

At COP10 in Nagoya, Japan, in 2010, the world established a set of 20 biodiversity targets, known as the Aichi Biodiversity Goals, to be met by 2020. According to the figures available by 2020, none of these targets were fully met, due to a lack of coordination among countries and inadequate funding.

The Global Biodiversity Framework

The Kunming-Montreal Global Biodiversity Framework, agreed on December 2022 at COP15 in Montreal, is a package comprising four goals to be achieved by 2050 and 23 targets by 2030 and which are deemed critical to address the loss of biodiversity and eventually restore degraded ecosystems.

The overarching goal of the Global Biodiversity Framework is to halt and reverse nature loss by 2030. It calls on countries to ensure that by 2030 at least 30% of the world's lands, freshwater and oceans are under effective conservation and management, prioritizing the expansion of "protected areas." Today, only 17% of terrestrial and 10% of marine areas are under protection.

A target has also been set to reduce to zero the loss of areas of high biodiversity importance, such as the Amazon basin and the Mayan rainforest. Regarding agricultural practices and food systems, the GBF aims to cut global food waste in half by 2030 and reduce the overall risks posed by pesticides and hazardous materials for natural ecosystems.

Crucially, under this agreement governments committed to require transnational companies and financial institutions to monitor, assess, and disclose risks related to natural environments, including their impact on biodiversity through their operations or supply chains. Some observers believe this could be one of the most transformational elements of the agreement, since these measures could lead to a shift in capital flows from unsustainable activities towards nature-positive projects and sectors.

The High Seas Treaty

The High Seas Treaty, officially the Biodiversity Beyond National Jurisdiction treaty (BBNJ), aims to strengthen the protection of biodiversity on the high seas (international waters). Negotiations concluded

on March 4th, 2023 and Member Parties - including Brazil and Mexico - are set to reconvene at a later date to adopt the text.

The High Seas represent 90% of the ocean's volume and biomass. However, these large swathes of the ocean have limited governance and are often unmonitored. Only 1% of the high seas has up until now been under any protection protocol and just 39% of the ocean falls under the national jurisdiction of individual countries.

The treaty contains four key provisions:

- It establishes new marine protected areas (MPAs), which are to be identified based on the best available science and will prohibit or limit certain activities that could harm its biodiversity.
- It creates new rules for environmental impact assessments, which must be completed before any new exploitation of marine resources in areas beyond national jurisdictions.
- It promotes accessibility to Marine Genetic Resources (MRGs) collected in areas beyond national jurisdiction. MRGs are valuable for pharmaceuticals and cosmetics and the High Seas Treaty establishes that digital sequence information on MGRs are for the benefit of all humanity, with particular consideration for developing nations.
- It encourages parties to develop and implement mechanisms for capacity building, including financing research programs and designing schemes for marine technology transfer.

Once it has been ratified by a sufficient number of countries, the Treaty will establish a new international authority for the high seas, and its provisions will be implemented by its own secretariat, under the guidance of an intergovernmental conference of parties and with the support of a new scientific and technical committee.

Although the High Seas Treaty addresses concerns by scientists and diplomats regarding the governance of ecosystems in international waters, it will be put to test under a very challenging global context. Currently, two-thirds of global fisheries are overfished or fished to capacity, which does not allow to rebuild fish stocks and ensure that fishing increases within ecosystem boundaries. Mining companies are planning ambitious deep-sea mining extractive operations in the high seas, -looking for critical minerals such as copper, cobalt, nickel and manganese- and potentially affecting valuable habitats at the bottom of the ocean, including corals and sponges.

A way forward: deploying the right policies and catalyzing investment towards nature conservation and protection

Finance for nature: Investing in nature-based solutions (NBS)

One of the main obstacles for stopping and reversing nature decline -as stated under the GBF- relates to the failure to attract enough finance towards policies and projects that aim to protect and restore natural landscapes and ecosystems.

If the world is to halt and reverse climate change and biodiversity loss, investment in conservation and protection must reach \$200 billion USD per year by 2030 (as agreed under Target 19 of the Global Biodiversity Framework) and approximately \$674 billion dollars a year, according to the most recent figures (this last figure would require that the current annual investment of \$154 billion USD must be multiplied more than threefold).

The most recent report on biodiversity finance by the United Nations Environmental Programme (UNEP) and the World Economic Forum (WEF) points out that investing Nature-Based Solutions should be a core target for international public and private finance in biodiversity. Nature-based solutions (also known as NBS) refer to concrete projects which rely on nature to address challenges such as climate change, biodiversity loss and disaster risk reduction, as opposed to other solutions that may rely on technology or traditional infrastructure. These activities include programs for the protection of biodiversity, including ecosystems and forest restoration, regenerative agriculture, among others.

Innovative mechanisms to activate finance for biodiversity: Debt-for-nature swaps

According to the IMF, 34 out of the 59 developing countries most vulnerable to climate change are also at a high risk of financial crisis. Therefore, debt-for-nature swap deals aim to work with creditors to ensure debt relief for developing countries in exchange for a government commitment to protect biodiversity and invest in ecosystem restoration.

So far, in Latin America and the Caribbean, Belize (2021) and Barbados (2022) have struck such deals with private creditors and in coordination with multilateral financial institutions.

The most recent example of a successful debt for nature swap is Ecuador, which refinanced a portion of its sovereign debt by swapping \$1.6 billion dollars in bonds for a \$656 million USD loan. In doing so, Ecuador secured a smaller loan with better conditions. The deal was made possible by the support of Crédit Suisse, which issued \$656 million USD in “blue bonds,” to finance the new loan.

Ecuador pledged to invest \$323 million dollars in marine conservation over the next 18 years. The role of multilateral financial institutions is noteworthy given that the Inter American Development Bank and the U.S. International Development Finance Corporation (DFC) provided guarantees for the new loan issued by Crédit Suisse.

Smart policy designed to protect biodiversity

At the global level, international organizations and development experts have agreed that it is urgent to design and implement policy measures that allow public and private institutions to integrate the economic value of natural capital and biodiversity into decision-making. This will incentivize a more efficient allocation and a more sustainable management of natural resources and could direct finance flows towards conservation and restoration projects with high potential to generate social, climate and ecosystem benefits.

A landmark study on the economics of biodiversity, known as “The Dasgupta Review”, underscores that the unsustainable exploitation of ecosystems has been enabled by a failure to appropriately “price” the services that ecosystems provide to humans. Therefore, in order to guarantee a sustainable economic development, countries must create an enabling environment for channelling financial investment into economic activities that are both profitable and contribute to protecting and restoring natural ecosystems.

In Latin America and the Caribbean, the Inter-American Development Bank (IADB) has launched relevant work focused on analyzing and disseminating successful policy tools and approaches that incorporate biodiversity into economic development planning and national budgeting. This conservation approach, labeled as “biodiversity mainstreaming”, aims to integrate biodiversity concerns into policies, strategies, and practices of public and private actors, often through economic or market-based incentives. The IADB has identified and studied some examples of effective policies that have been implemented in the region and which could be used as best-case examples. These include:

- Schemes of payment for ecosystem services (PES) which are market-based mechanisms consisting of payments to landowners who agree to take certain actions to manage their land (most often forests or watershed ecosystems) to provide an ecological service. Most often, these programs are designed to provide compensation in exchange for specific carbon sequestration and water conservation benefits, although biodiversity goals could be successfully integrated into them.

- Protected areas are considered the most well-known policy tool for conservation around the world. Protected areas are diverse in terms of the level of protection and the economic uses allowed within them: they range from strict protection to PA frameworks that allow multiple uses.
- Conservation trust funds are defined as independent institutions that provide financing for biodiversity conservation and mobilize funds from a range of sectors, including foreign philanthropy and private companies.
- Nature-Based Solutions (NBSs) for Infrastructure refers to a broad category of projects which address infrastructure demands by investing in natural capital and can include ecosystem-based mitigation and adaptation strategies, green infrastructure and disaster risk reduction.

The role of the private sector: Biodiversity business risks

Aside from climate change, biodiversity is emerging as a key area of interest in environmental risk reporting and management. This is considered a first step in the path toward fully catalyzing private sector involvement and finance for biodiversity-related solutions and projects.

Nature or biodiversity risk involves analyzing and measuring how a company impacts nature, which can also take into consideration wider social impacts on vulnerable communities and how nature or biodiversity loss and ecosystem declines as a result of the organization's actions – may impact a businesses' financial performance and operations.

To improve their performance, companies and organizations can take measures to reduce their impact on nature by modifying supply chain practices and making better business decisions.

Perhaps more ambitiously, they can also contribute to protecting, maintaining, or enhancing biodiversity. The International Finance Corporation identifies some of these activities:

- Implementing climate-smart agriculture that contributes to rehabilitating degraded land
- Taking measures that achieve conservation, increase efficiency, and promote a sustainable water use
- Reduction and sustainable use of waste, as well as plastic management.

Perspectives from two megadiverse countries: Brazil and Mexico

Megadiverse countries are critical to halt and reverse ecosystem decline: they harbor more than 70% of the world's biological diversity, including plants, animals and microorganisms.

This category was created in the 1980s by the international organization "Conservation International". It encompasses countries with at least 5,000 endemic plant species (not found anywhere else in the world) and marine ecosystems within their borders.

<u>List of megadiverse countries</u>	
1. Brazil	10. Ecuador
2. Indonesia	11. India
3. Colombia	12. Malaysia
4. Mexico	13. Papua New Guinea
5. Australia	14. United States of America
6. Madagascar	15. South Africa
7. Philippines	16. Venezuela
8. China	17. Democratic Republic of Congo
9. Perú	

Brazil: The key global player

Brazil is recognized as one of the world's megadiverse countries, ranking first on the list. It is home to approximately 20% of the planet's known species. The country boasts a wide range of ecosystems, including the Amazon rainforest, the Pantanal wetlands, the Atlantic Forest, the Cerrado savanna, the Pampas grasslands and Caatinga drylands. The Amazon rainforest, spanning over 5.5 million square kilometers, is the largest tropical rainforest in the world and plays a crucial role in global climate regulation. It is known for its incredible biodiversity, housing countless species of plants, animals, and insects.

Brazil has taken steps to protect its natural heritage through various initiatives and organizations, starting even before the redemocratization period and notably since the late 1980s. The Ministry of the Environment (*Ministério do Meio Ambiente*) formulates and implements environmental policies, while the executive body, IBAMA (*Instituto Brasileiro do Meio Ambiente e dos Recursos Naturais Renováveis*), carries out the National Environmental Policy (PNMA) and oversees conservation efforts, controlling and

inspecting the utilization of natural resources such as water, flora, fauna, and soil. Additionally, the Chico Mendes Institute for Biodiversity Conservation (*Instituto Chico Mendes de Conservação da Biodiversidade, ICMBio*) plays a crucial role in managing protected areas and promoting conservation.

Despite having a solid institutional framework and strong international commitments regarding climate change and biodiversity, Brazil faces significant challenges in preserving its biodiversity and meeting its Nationally Determined Contributions (NDCs). Deforestation and encroachment on protected areas remain major concerns, alongside budget limitations and weakening institutional capacity, which impede the full implementation of conservation strategies and commitments.

As a result, the Amazon rainforest is rapidly approaching a tipping point of 20%- 25% deforestation. Scientists warn that beyond this threshold, reduced humidity, decreased rainfall, and the combined effects of vegetation loss and global climate change could irreversibly transform large portions of the rainforest into savannas, releasing massive amounts of carbon into the atmosphere.

Deforestation and land-use changes account for 74% of Brazil's carbon emissions, explaining why the world's 10th largest economy is the 5th largest greenhouse gas emitter.

Similar challenges are observed in Brazil's other biomes. The Cerrado has lost half of its original coverage in the last five decades due to monoculture plantations, while the Atlantic Rainforest, which had its size reduced to just 7% of its original biomass in the late 20th century, managed to recover to 12% by 2015; unfortunately, it is once again under significant strain due to weakened environmental protection laws and institutions.

Hope springs eternal

Brazil can show the world important positive and negative lessons regarding how public policies are central to combat biodiversity loss and promote preservation through social-economic development. From 2004 to 2012, a combination of social and environmental policies - including command and control measures against illegal deforestation, satellite monitoring and alerts, financial sanctions for companies and farmers operating in deforested regions, conditional cash transfer programs linked to children's school attendance and healthcare, and vaccines - reduced Amazon deforestation from 27,000 to 4,000 square kilometers.

Simultaneously, the Human Development Index (HDI) and wealth in Amazonian states experienced unprecedented growth. Agricultural production also increased, thanks to policies that focused on productivity gains rather than further deforestation. However, after the removal of these policies from 2015 to 2022, the deforestation rate in the region more than doubled to over 10,000 square kilometers. There is no doubt, then, that concerted government efforts are critical to protect our planet's biodiversity.

Now that there is renewed political will in Brazil to combat biodiversity loss and promote economic activities that prioritize environmental preservation, the main challenge is to secure the necessary public and private funds to support these efforts.

In the final text of the Kunming-Montreal biodiversity agreement, nations reached a consensus to mobilize \$200 billion from various funding channels, including direct grants, philanthropic contributions, and private investments. At the same time, they committed to phasing out harmful subsidies totaling approximately \$500 billion.

To facilitate the allocation of these funds, countries embraced a proposition presented by Brazil and several African nations to establish a new trust fund. The Global Environment Facility (GEF) will lead the establishment of this fund in 2023, with subsequent governance entrusted to a dedicated body. However, economists and scientists predict that the \$200 billion falls far short of what is necessary to achieve the goals outlined in COP 15.

Separately, Brazil is actively seeking new resources from developed nations to finance the Amazon Fund, a REDD+ mechanism created to raise donations for non-reimbursable investments in preventing, monitoring, and combating deforestation, as well as promoting preservation and sustainable use in the Brazilian Amazon. In addition to Norway and Germany, the two original donors, President Lula's administration has already secured new resources from countries such as the UK and USA, while negotiations are ongoing with the European Union and other G7 nations.

On the regulatory front, Brazil has recently approved a law that allows for the allocation of public forest concessions to provide Environmental Services Payments. Furthermore, discussions are underway regarding the implementation of a new carbon cap and trade system. However, there are pressures from Congress to halt the creation of new Indigenous territories and to limit the Federal Government's ability to establish new national parks and protected areas. There is no doubt that environmental issues like biodiversity will remain at the top of Brazil's national agenda and its foreign policy.

Mexico: Facing an uphill battle

Mexico places 4th on the list of megadiverse countries and recent estimates suggest the country hosts approximately 12% of global biodiversity. Forests cover more than one third of the total land surface of the country; 52.9% of this is classified as primary forest, the most biodiverse and carbon-dense form of forested land. Rainforests represent 4% of the country's surface and tropical dry forest cover around 12%.

In addition to forests and rainforests, Mexico possesses several types of highly valuable ecosystems, including mangroves, wetlands and coral reefs. Mexico places fourth globally in terms of mangrove surface area, after Indonesia, Australia and Brazil. It is the second country with the largest number of Ramsar wetland sites; these ecosystems provide unique services since they are important sources of food staples and freshwater, while being effective carbon sinks .

The most recent official data shows that Mexico faces a dire situation in terms of nature loss and biodiversity threats:

- Fifty percent of the country's territory and 48% of the area covered by vegetation face some level of degradation.
- Since the 1970s, deforestation has rapidly accelerated, fueled by unsustainable agricultural practices and a massive government-led effort to redistribute land ownership.
 - In fact, rainforest cover has declined by almost 50% in the past five decades.
- The annual rate of deforestation in Mexico reached 190, 000 ha in 2021. This means that the country loses annually an area larger than Mexico City.
- There are 2,437 threatened species in Mexico, according to the International Union on the Conservation of Nature (IUCN)'s Red List: including the Mexican gray wolf, the Mexican ajolote salamander and the monarch butterfly.

Mexico faces significant challenges to fully implement the new obligations contained in the Kunming-Montreal Biodiversity Framework, mainly due to budgetary constraints and a lack of institutional capacity. There is little perceived political interest in biodiversity, which represents an opportunity for civil society to weigh in and highlight its importance.

The two government organizations in charge of studying ecosystems and promoting conservation within Mexico are the National Commission for Knowledge and Use of Biodiversity (CONABIO) and the Commission of Protected Areas (CONANP), both of which depend on the Ministry of Environment and Natural Resources (SEMARNAT) have been severely weakened in recent years due to budget cuts, and they currently lack the economic and human resources required to fulfill their objectives.

- **CONABIO**

Since 1992, CONABIO has been dedicated to the promotion, coordination and support of activities related to knowledge, conservation and use of biodiversity for the benefit of society.

The commission provides valuable information for policymakers and civil society and is charged with updating [the National Information System for Biodiversity](#) (SNIB, for its Spanish acronym), which compiles a wide array of data on the animal, plants and microorganisms that have been observed and studied in Mexico. This institution also maintains monitoring systems for mangroves, coral reefs and wetlands.

CONABIO experts published research in 2019, "The Natural Capital of Mexico," a set of comprehensive assessments that address the state of knowledge regarding Mexico's biodiversity, its status and trends, as well as the impact of public policies.

Public resources for CONABIO have increasingly been reduced during the current federal administration and a certain number of technical experts have left the institution. In August 2022, José Sarukhán, a world-renowned scientist who had headed CONABIO for over three decades, presented a public resignation letter underlining his disagreement with political appointments made by SEMARNAT.

- **CONANP**

The CONANP was created in the year 2000 as the main agency of Mexico's federal government tasked with protecting and conducting conservation activities in the National Protected Areas that exist in Mexico, which include biosphere reserves, national parks and natural monuments.

In the past two years, four new Natural Protected Areas were created in Mexico: Peña Colorada in Querétaro, Sierra San Miguelito in San Luis Potosí, Lago de Texcoco in Estado de México and Jaguar in Quintana Roo. With these additions, the national total reaches 187. National Protected Areas now cover more than 90, 958, 000 hectares of land and sea: this represents around 10% of Mexico's land surface and over 20% of the country's territorial waters.

Despite facing complex challenges to protect ecosystems across the country, CONANP has also suffered from budget cuts since 2017. Recent findings by independent organizations show that the Commission had its budget cut by 50% from 2017 to 2022. In 2023, its budget will be further reduced by 7.3%. As a result, federal funds allocated to CONANP as of 2023 amount to 9.7 pesos per hectare.

Recent research by Oceana (an independent, US-based NGO), reveals that 39 marine protected areas - representing more than 22% of Mexico's total marine Exclusive Economic Zones (EEZ)- are threatened by illegal fishing and lack the resources required to correctly protect highly valuable ecosystems like coral reefs and mangroves.

Biodiversity protection under the USMCA

As the successor treaty of NAFTA, the U.S.-Mexico-Canada Agreement (USMCA) contains a whole chapter (Chapter 24) that aims to simultaneously promote free trade while advancing environmental protections in each country.

Chapter 24 specifically prohibits countries to fail in the effective enforcement of their respective environmental laws and to waive or eliminate environmental laws in such a way that reduces the level of protection for natural resources or ecosystems. Further, it mandates that countries adopt and implement laws to comply with the obligations contracted under certain multilateral environmental

agreements, such as the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and the Ramsar Convention on Wetlands.

The USMCA contains a specific mandate to promote and encourage the conservation and sustainable use of biological diversity, while encouraging trilateral cooperation on these matters.

It should be noted that these commitments are enforceable through dispute settlement mechanisms and any of the signing countries can present a request for consultations. Under this framework, the U.S. Trade Representative issued a request for environmental consultations in February 2022, underlying concerns that Mexico is failing to effectively protect the Vaquita Marina (a species of porpoise native to the Gulf of California and the world's most endangered marine mammal) and to halt the illegal trade of totoaba fish.

Most recently, in July 2023, the Secretary of the Interior of the U.S. determined that Mexico "diminished the effectiveness" of CITES by not stopping the illegal fishing and trade of totoaba and has therefore failed to stop the extinction of the vaquita. Although the President is authorized to apply trade sanctions to partners who are found to violate environmental treaties, the White House declined such a course of action.

Modest but promising progress in setting 4th iteration of national contributions

In June 2023, officials from the federal government announced that Mexico would be launching efforts to develop new national goals on biodiversity to comply with the Kunming Montreal Biodiversity Framework, which requires countries to present updated national biodiversity strategies and action plans before COP16 in 2023. Mexico's new goals would be incorporated into the National Biodiversity Strategy (known as ENBiomex). The last version of this planning instrument was issued in 2016, and it is unclear if the Mexican government will be able to update it on time before the Biodiversity Summit in late October 2023.

In August 2022, the Mexican government officially published the Implementing Strategy for a Sustainable Ocean Economy 2021- 2024, which aims to define the actions needed to transition to a sustainable use of water under national jurisdiction and protect marine ecosystems, as recommended by the High-Level Panel for a Sustainable Ocean Economy, which was established in September 2018.

Resilience and adaptation are deeply linked to biodiversity outcomes and Mexican environmental agencies and institutions, like CONANP and CONAPESCA, have played a decisive role in formulating and implementing important projects, no small task, given significant budget cuts in recent years. Some of their projects include rescuing coral reefs, evaluating the health of mangroves around the country and establishing adaptation plans for each Natural Protected Area in Mexico.

Conclusions

- Although biodiversity has been present in the global multilateral agenda since the Convention on Biological Diversity was adopted in 1992, biodiversity and natural capital have further declined over the past few decades.
 - Moreover, the evidence pointing to a direct connection between biodiversity loss and climate change has increased, which means that guaranteeing a safe, sustainable and prosperous future for the world depends on us addressing both issues.
- Recent progress on setting new global goals and rules on biodiversity - contained in the Global Biodiversity Framework finalized at COP15 and the High Seas Treaty - could incentivize greater international coordination amongst governments, companies and civil society.
- In order for the world to stop and hopefully reverse biodiversity loss, countries and companies must start making the correct decisions to redirect financial flows towards sustainable projects, focusing on Nature-Based Solutions.
- Studies conducted by international organizations and experts show that the way forward includes policy measures which integrate the economic value of natural capital and biodiversity into decision-making. This would in turn unlock finance towards biodiversity goals and also incentivize a more sustainable use of natural resources.
- Latin America is the region that shows the greatest decline in biodiversity, with a decrease in the average abundance of wildlife populations of 94%.
 - Further, Latin America is home to 6 of the 17 countries that have been designated as megadiverse countries, due to their abundance of endemic land and marine species.
- Brazil and Mexico are two megadiverse Latin American countries that showcase the real-world obstacles facing the fight against biodiversity loss: weak institutional capacity, a fractious political environment and lack of policy continuity. These factors perpetuate nature's decline.
- Companies can contribute positively by adopting nature risk reporting and management.
 - Nature or biodiversity risk involves analyzing and measuring how a company impacts nature, which also takes into consideration wider social impacts.
 - Consumers and employees are increasingly demanding that companies demonstrate their environmental responsibility.



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